

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY	Bulgaria	REPORT	
SUBJECT	The "Elprom" Enterprise	DATE DISTR.	26 February 1954
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Information

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
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1. The founder and main director of the "Elprom" enterprise in Bulgaria is Kimon Georgiev, the Minister of Electrification. Main headquarters are located in Sofia. The following seven plants belong to the "Elprom" combine:

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- a. The Voroshilov Factory, Sofia, which manufactures radio and telephone equipment;
- b. The Vasil Kolarov Factory, Sofia, which manufactures electrical equipment;
- c. The Vŭlko Chervenkov Factory, Turnovo, which manufactures transformers;
- d. The Lenin Factory, Kazanluk, which manufactures porcelain items and insulators;
- e. The Kabelna Factory, Burgas, which manufactures cable;
- f. The Electrical Equipment Factory, Varna, which manufactures electrical items for household use; and
- g. A transformer and ball-bearing factory, Plovdiv.

2. "Elprom" employs over 60,000 workers and manufactures over 3,000 products.

"Elprom" in Sofia

3. The "Elprom" enterprise in Sofia employs over 3,000 persons, including 250 to 300 administrative workers and 30 engineers. Until recently, three Soviet engineers

25 YEAR RE-REVIEW

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were employed; now only Soviet engineer Shterbakov works at the plant. Shterbakov has a separate building for his use and has a staff of Bulgarian engineers, specialists, accountants, and other personnel; he is in charge of the entire enterprise. The plant also employs another unidentified specialist.

4. The "Elprom" plant in Sofia was designed by the Bulgarian engineer Pelopitov under the control of Soviet engineers. At the present time, the chief director of the plant is Pushkarov, a fanatical Communist. He recently spent three months in China studying the installation of Chinese telephones. "Elprom" has signed a trade agreement with China, whereby it will export large quantities of telephones and other items.
5. The political activities of "Elprom" are directed by "Section 38," an office maintained in all plants and institutions for the political control over the employees. "Section 38" is headed by Mladen Velitdov and Dimitir Panov and their confidential agents. The most dangerous person in the plant is Aleksandur Baruteviyski, in charge of the accounting department, who maintains contact with Shterbakov and the DS (Durzhavna Sigurnost; State Security).
6. The plant pays wages according to the category of the worker. Average workers earn between 500 and 600 leva per month. Overtime is paid to workers having special qualifications; an employee who works overtime can earn up to 800 leva per month. Administrative and accounting office personnel receive salaries according to grade.

A male employee doing the same work would receive an additional 100 leva per month. Engineers receive a maximum of 1,000 leva. Pushkarov, the director, officially earns 2,000 leva per month, but receives additional pay almost every month; during August 1953, he received 5,000 leva beyond his regular salary. So that it will not appear that he takes money only for himself, Pushkarov sees that other Communist engineers are also given extra money when he receives some. Engineer Shterbakov receives 5,000 leva as a living quarters allowance and has the use of an automobile. Director Pushkarov also receives an automobile for his personal use.

7. [redacted] the best products and military items manufactured by "Elprom" are exported to the Soviet Union. Exported items include electrical machinery, dynamos, X-ray equipment, special gears, insulators, and roller bearings. The cost of transportation, if there is any, is never entered on the "Elprom" records. "Elprom" does not complete its sales directly, but is connected with a number of trade agencies which have permanent contracts abroad. Other products which do not possess any special value are sold to other customers.

8. The financial economy and the budget of "Elprom" [redacted]

[redacted] This office is controlled by the Soviets and is directly subordinate to the Politburo.

9. It is difficult to find markets for such items as radio and telephone equipment. The quality of these products is poor, and it is impossible to sell them in Western Europe or even in the Satellite complex. The radio and telephone equipment plant has an annual production of 150,000 telephones and 60,000 radio receivers. Since the domestic market for these items is very small, an agreement was made to export them to China, as mentioned in paragraph 4 above. This agreement, however, is not very profitable for Bulgaria, since the cost of producing a radio receiver is 400 leva more than the selling price, and telephones are sold at 3,500 leva less than the cost of production. Sales amount to only 40 or 45 percent of the cost of production

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10. At present, there are about 15,000 uncompleted radio receivers in the warehouse of the "Elprom" plant in Sofia. If they were completed, they could be exported to China in spite of their poor quality. However, in order to complete the receivers, the plant needs special materials which it does not have in stock. The State Supply office, which distributes all raw materials imported by Bulgaria, has not supplied necessary materiel for three months because this materiel is allegedly needed to meet other requirements. Thus production stops, products cannot be sold, and eventually there is a lack of foreign exchange for trade. A special resolution of the Politburo is then required to allot the materials necessary for the completion of the products.
11. The situation is even more serious in other plants of "Elprom" than it is in the Sofia plant. No improvement in the situation is possible because the USSR controls Bulgaria's economy. Bulgaria requires raw materials which must be purchased from other Satellites. Poland and Czechoslovakia will not extend credit and demand payment in cash or kind, and Bulgaria cannot comply with these terms. Only industries producing military goods are well supplied with raw materials. Those industries which could be profitable for Bulgaria cannot be developed because of the lack of raw material and funds. [redacted] Bulgaria will become bankrupt if this condition continues much longer. She states that the government is trying to solve the problem by recalling prewar industrialists to Sofia from other parts of Bulgaria and by releasing some from camps and prisons, but she states that the regime's situation is "such that even forced labor will not save the country from the oncoming crisis and the economic crash."

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The DOSO Organization at "Elprom" in Sofia

12. All of the 3,000 workers of the "Elprom" enterprise in Sofia belong to the DOSO (Dobrovolna Organizatsiya na Otbranata; Voluntary Organization for Defense Assistance). During the initial recruitment, certain types of weapons are assigned to selected personnel. Only medical personnel and women who are members of the DSO (Duzhavana Sportna Organizatsiya; State Sports Organization) are excused from training. DOSO training at the "Elprom" plant takes place on Saturday after work on the plant grounds or behind the plant. If the training takes place at 4:00 p.m., the work shift begins three hours earlier in the morning.
13. The members are trained in the use of all types of weapons, but are not given pilot training. The tank group trains with tanks; other groups take courses in driving automobiles; others receive training in field or aircraft artillery. A certain group of workers drives out beyond the city to receive training in amphibious or engineering work. The members drive out in military heavy-duty trucks for sharpshooting practice every month; there were two of these sessions in October 1953. In such instances, the plant megaphones announce the training in this fashion: "Attention! Attention! DOSO members! Today at three o'clock everyone is to gather at the assembly place." Group III (the engineers section) and Group VI (the tank section) are relieved from this obligation. This information is announced several times and then a special courier from "Section 38" announces this in the individual departments of the plant.
14. The weapons used are brought to the plant before the beginning of the course and are taken away at the end of the period. Two senior officers and three non-commissioned officer instructors arrive for the training period.
15. The women also are separated into special sections for weapons training. Only pregnant women are excused from training. Women receive instruction in driving automobiles, in firing weapons, and in servicing antiaircraft weapons; these are usually specially-selected young girls, mostly unmarried workers.
16. Training is held after work hours, and trainees receive no pay. If at any time a trainee does not participate, he must work overtime without pay. When a group goes beyond the factory area for training, each member receives six leva, which is enough to pay for one meal.

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SECURITY INFORMATION

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COUNTRY Bulgaria

REPORT

SUBJECT 1. Termination of Work at the
"Rositsa" Dam
2. Resistance Leaflets

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Termination of Work at the "Rositsa" Dam

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1. The Bulgarian government is unable to furnish funds necessary for large industrial projects, because the country has been plundered by the Soviets and at the same time has to fulfill the great armament requirements imposed by Moscow. For this reason, certain large projects have been suspended because there are no funds to purchase necessary materials and machinery from foreign nations.
2. An example of this is the "Rositsa" dam project which employed over 50,000 workers in addition to Trudovaks. The wall of the dam had been completed. Great forests had been ruined in the construction of the large reservoir. Finally, the work was stopped because the Soviets did not provide the turbines, machinery, and electrical equipment necessary for the dam. The government tried to purchase the necessary equipment from Czechoslovakia, but Prague demanded payment in gold, and the Czech commission which came to inspect the construction area would not grant the credit. Therefore, engineers and workers were dismissed from their jobs and are now seeking employment elsewhere.

Resistance Leaflets

3. Resistance movements have been growing in Bulgaria recently. The public notices this especially in Sofia, where certain districts have been filled with patriotic leaflets. Workers have noticed leaflets on the streets and roads from Sofia to the Elprom Factory. The leaflets have been made with duplicators and are not large. The sentiments expressed are approximately as follows:

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"Brothers. The time of Bolshevik slavery is coming to an end. You have to suffer the worst era in the time of our history. The day of freedom is approaching. Do not permit yourselves to be provoked. Work quietly while awaiting the given signal. The tyranny of Chervenkov and his murderous aides is coming to an end. Believe in solidarity and aid one another. Every act of benevolence is noted, as well as every act of brutality and terror. You Party members have the opportunity to erase your crimes by your conduct. You appease the tyranny of the regime by your conduct wherever you may be found."

4. Almost every worker picks up the pamphlet and brings it to the plant where he shows it to his co-workers. A meeting is held in the plant after each incident of this kind. Those workers who read the leaflets with greatest interest must protest against "American provocators" and promise fidelity to the People's Republic. During these occasions, everyone is urged not to listen to foreign broadcasts, which are branded as the "chief instigators" of war.
5. These pamphlets and leaflets are scattered in the vicinity of the barracks. They are circulated in various parts of the city and provide sensational reading for the public.

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